

## NEBRASKA ADMINISTRATIVE CODE

### Title 48 - DEPARTMENT OF BANKING AND FINANCE

#### Chapter 16 - INFORMATION REQUIREMENTS FOR THE SECTION 8-1111(15) COOPERATIVE AND LIMITED COOPERATIVE ASSOCIATION EXEMPTION

##### 001    GENERAL.

001.01    This Rule has been promulgated pursuant to the authority delegated to the Director in Sections 8-1120 and 8-1111(15) of the Securities Act of Nebraska ("Act").

001.02    The Department has determined that this Rule relating to Section 8-1111(15) is consistent with investor protection and is in the public interest.

001.03    The Director may, on a case-by-case basis, and with prior written notice to the affected persons, require adherence to additional standards or policies, as deemed necessary in the public interest.

001.04    The definitions in 48 NAC 2 apply to the provisions of this Rule, unless otherwise specified.

##### 002    NOTICE FILING REQUIREMENT. The notice required by Section 8-1111(15) of the Act will be satisfied if the conditions of this Rule are met.

002.01    Such notice shall be filed with the Nebraska Department of Banking and Finance, P.O. Box 95006, Lincoln, Nebraska 68509-5006.

002.02    Such notice shall be filed prior to the issuance of any security made in reliance upon this exemption.

##### 003    CONTENTS OF NOTICE. The notice shall contain the following information:

003.01    The name and address of the cooperative or limited cooperative association;

003.02    The date of incorporation and the statute under which the cooperative or limited cooperative association was organized;

003.03    The amount of its authorized capital stock;

003.04    The type of security being issued: identify whether it is a certificate of participation or interest, a certificate of indebtedness, common stock, preferred stock, or other;

003.05    The total amount of the securities to be sold by the issuer in Nebraska;

003.06    An indication as to whom sales will be made: present members, patrons, or the general public;

003.07    A brief description of the methods by which the securities will be sold;

003.08 The names and addresses of the persons who will be selling the securities and their relationship to the cooperative or limited cooperative association;

003.09 A complete copy of the financial statements for the past two years;

003.10 A brief description of the intended use of the proceeds;

003.11 The interest rate to be paid, if the offering involves debt securities; and

003.12 A copy of the disclosure document to be provided to prospective investors, if the cooperative or limited cooperative association does not have a past history of offering securities.

004 AMENDMENTS. If, during the offering period, an event occurs which would materially affect the issuer, its prospects or properties, or otherwise materially affect the accuracy or completeness of the information required in Section 003, above, the notice shall be promptly revised to reflect such event and filed with the Director.

005 EFFECTIVENESS. A notice of exemption filed pursuant to Section 8-1111(15) of the Act remains in effect until the earliest of the following occurrences:

005.01 The amount of securities stated in the notice submitted to the Director is sold;

005.02 Until the issue is discontinued by resolution of the Board of Directors of the cooperative or limited cooperative association; or

005.03 Three years from the date of the initial filing of the notice under this Rule.

006 BURDEN OF PROOF. In any proceeding involving this Rule, the burden of proving the exemption from registration is upon the person claiming the exemption.